

The Village Girl Who Grew Up to Be a Billionaire: How the richest ...

Barboza, David

New York Times (1923-Current file); Aug 2, 2015;

ProQuest Historical Newspapers: The New York Times with Index
pg. BU1

The Village Girl Who Grew Up to Be a Billionaire

How the richest woman in China worked her way up to the top from a factory floor.

By DAVID BARBOZA

Zhou Qunfei is the world's richest self-made woman. Ms. Zhou, the founder of Lens Technology, owns a \$27 million estate in Hong Kong. She jets off to Silicon Valley and Seoul, South Korea, to court executives at Apple and Samsung, her two biggest customers. She has played host to President Xi Jinping of China, when he visited her company's headquarters.

But she seems most at home pacing the floor of her state-of-the-art factory, tinkering.

She'll dip her hands into a tray of water, to determine whether the temperature is just right. She can explain the intricacies of heating glass in a potassium ion bath. When she passes a grinding machine, she is apt to ask technicians to step aside so she can take their place for a while.

Ms. Zhou knows the drill. For years, she labored in a factory, the best job she could get having grown up in an improv-

Blocked due to copyright.
See full page image or
microfilm.

erished village in central China.

"She'll sometimes sit down and work as an operator to see if there's anything wrong with the process," said James Zhao, a general manager at Lens Technology. "That will put me in a very awkward position. If there's a problem, she'd say, 'Why didn't you see that?'"

Ms. Zhou has honed her hands-on knowledge into a world-class, multi-billion-dollar operation, one at the vanguard of China's push into high-end manufacturing. Lens Technology is now one of the leading suppliers of the so-called cover glass used in laptops, tablets and mobile devices, including the Apple iPhone and the Samsung Galaxy. This year, her factories are expected to churn out more than a billion glass screens, each refined to a fraction of a millimeter.

"This is an industry that requires

CONTINUED ON PAGE 6

Zhou Qunfei at a factory in Changsha, China, owned by Lens Technology, which she founded. The company is a leading supplier of the cover glass used in laptops, tablets and other mobile devices.

GILLES SABRIE FOR THE NEW YORK TIMES

The Village Girl Who Grew Up to Be a Billionaire

CONTINUED FROM PAGE 1

highly sophisticated technology," says Stone Wu, an analyst at IHS Technology, the research firm. "If you have a ruler, check out how thin 0.5 millimeters is, and you'll understand how hard it is to manufacture something that thin."

In creating a global supplier, Ms. Zhou, 44, has come to define a new class of female entrepreneurs in China who have built their wealth from nearly nothing — a rarity in the world of business. In Japan, there is not a single self-made female billionaire, according to Forbes. In the United States and Europe, most women who are billionaires secured their wealth through inheritance.

No country has more self-made female billionaires than China. The Communist Party, under Mao Zedong, promoted gender equality, allowing women to flourish after capitalism started to take hold, according to Huang Yasheng, an expert in China's entrepreneurial class and a professor of international management at M.I.T. And in a country with few established players, entrepreneurs like Ms. Zhou were able to quickly make their mark when they entered business in the 1990s as China's economic engine was revving up.

Ms. Zhou's stake in Lens Technology, which went public this year, is worth \$7.2 billion. That puts her fortune on par with the media tycoon John C. Malone and Pierre Omidyar, the founder of eBay.

Ms. Zhou isn't a celebrity chieftain, like Jack Ma, the billionaire founder of the e-commerce giant Alibaba. Few in China had even heard her name before her company's public offering this year. She rarely grants interviews or makes public appearances.

An elegant woman with a cherubic face, owl-like glasses and a preference for Christian Dior suits, Ms. Zhou is fastidious and demanding — "Sit up straight!" she commands of a general manager during a meeting. Yet she exudes charm and humility, a quiet recognition that things could have easily turned out differently.

"In the village where I grew up, a lot of girls didn't have a choice of whether to go to middle school. They would get engaged or married and spend their entire life in that village," she said in an interview at her office, where there was a wooden statue of Mao and a 27-inch desktop Mac. "I chose to be in business, and I don't regret it."

Leaning Toward the Obsessive

The youngest of three children, Ms. Zhou was born in a tiny village in the Hunan Province of central China, a farming community about two hours south of Changsha, the provincial capital. Her mother died when she was 5. Her father, a skilled craftsman, later lost a finger and most of his eyesight in an industrial accident.

At home, she helped her family raise pigs and ducks for food and additional money. At school, she excelled.

"She was a hard-working and talented student," Zhong Xiaobai, her former middle-school teacher, says. "I once read her essay, 'My Mother,' aloud in class. It was so moving it brought everyone to tears."

Zhang Ruoyan contributed research.



GILLES SABRIE FOR THE NEW YORK TIMES

Despite her academic focus, Ms. Zhou dropped out of school at 16 and traveled south to Guangdong province to live with her uncle's family and search for better work. While she dreamed of becoming a fashion designer, she eventually landed a job on a factory floor in the city of Shenzhen, making watch lenses for about \$1 a day.

The conditions, she said, were harsh. "I worked from 8 a.m. to 12 a.m., and sometimes until 2 a.m.," Ms. Zhou recalled. "There were no shifts, just a few dozen people, and we all polished glass. I didn't enjoy it."

After three months, she decided to quit and wrote a letter of resignation to her boss. In it, she complained about the hours and boredom. Even so, she expressed her gratitude for the job, saying she wanted to learn more.

The letter impressed the factory chief, who told her the plant was about to adopt new processes. He asked her to stay, offering her a promotion. It was the first of several over the next three years.

In 1993, Ms. Zhou, then 22, decided to set out on her own. With \$3,000 in savings, she and several relatives started their own workshop next door. They lured customers with the promise of even higher-quality watch lenses.

At the new company, Ms. Zhou did it all. She repaired and designed factory machinery. She taught herself complex screen-printing processes and difficult techniques that allowed her to improve prints for curved glass.

"In the Hunan language, we call women like her 'ba de man,' which means a person who dares to do what others are afraid to do," said her cousin Zhou Xinyi, who helped her open the workshop and now serves on the Lens board.

Along the way, Zhou Qunfei married her former factory boss, had a child and di-

Blocked due to copyright
See full page image on
microfilm.

Top, Zhou Qunfei leading a media tour of her company, Lens Technology, which has made her the richest woman in China. Above, Ms. Zhou's ID card from when she was a factory worker.

At the vanguard of
China's push into
high-end manufacturing.

vorced. She later married a longtime factory colleague, who serves on the Lens board, and had a second child.

Her work habits lean toward the obsessive. Her company's headquarters is at one of her manufacturing plants in Changsha. In her spacious office, a door behind her desk opens into a small apartment, ensuring she can roam the factory floor day or night.

Propelled to Dominance

It was the mobile phone that made Ms. Zhou a billionaire.

In 2003, she was still making glass for watches when she received an unexpected phone call from executives at Motorola. They asked if she was willing to help them develop a glass screen for their new device, the Razzr V3.

At the time, the display screens on most mobile phones were made of plastic. Motorola wanted a glass display that would be more resistant to scratches and provide sharper images for text messages, photos and multimedia.

"I got this call, and they said, 'Just answer yes or no, and if the answer's yes, we'll help you set up the process,'" Ms. Zhou recalled. "I said yes."

Soon after, orders started rolling in from other mobile-phone makers like HTC, Nokia and Samsung. Then, in 2007, Apple entered the market with the iPhone, which had a keyboard-enabled glass touch screen that rewrote the rules of the game for mobile devices. Apple picked Lens as its supplier, propelling Ms. Zhou's company into a dominant position in China.

After that, Ms. Zhou invested heavily in new facilities and hired skilled technicians. More than once, colleagues say, she put up her apartment as a guarantee for a new bank loan. Within five years, she had manufacturing plants under construction in

three cities.

"She's a passionate entrepreneur, and she's very hands-on," says James Hollis, an executive at Corning, which has a partnership with Lens Technology. "I've watched her company grow, and her develop a strong team. Now there are over 100 competitors in this space, but Lens is a Tier 1 player."

Lens operates round the clock, with 75,000 workers spread across three main manufacturing facilities that occupy about 800 acres in the Changsha region. Each day, the company receives bulk shipments of glass from global manufacturers like Corning in the United States and Asahi Glass in Japan.

The glass is cut, ground down to size, bored and polished to give each plate a transparent finish. Then the plates are strengthened in a potassium ion bath, painted and cured. Finally, they are cleaned and coated with anti-smudge and anti-reflection films.

Ms. Zhou designs and choreographs nearly every step of the process, a detailed-oriented approach she traces to her childhood. "My father had lost his eyesight, so if we placed something somewhere, it had to be in the right spot, exactly, or something could go wrong," she said. "That's the attention to detail I demand at the workplace."

Lens has not experienced the kinds of labor troubles that have clouded other contract manufacturers like Foxconn. But current and former workers say the job is challenging. Much of the work is done by young women who inspect glass at different angles, trying to detect flaws.

"As a quality inspector, I had to stare at those products all day long, so this is a tiring job," said Gao Zhimei, who recently left Lens Technology. "But I should say that working in manufacturing is always tiring and working at Lens is not more tiring than working in other factories."

Expanding a Customer Base

Lens Technology went public in March, as the Chinese stock market was booming. With the recent market collapse, the company has lost 45 percent in value, but it is still worth about \$8 billion.

Last year, the company notched revenue of about \$2.4 billion. Profit rose 40 percent in the first quarter. But Lens gets nearly 75 percent of its revenue from Apple and Samsung, making the company reliant on just two customers. In May, at the first shareholders' meeting since the company went public, an investor pressed Lens about how it planned to maintain an edge in a hypercompetitive market that thrives on innovation.

Several executives tried to answer the question. Then Ms. Zhou spoke up, saying she was prepared to diversify the company's business with production facilities geared toward higher-end glass, as well as sapphire and ceramic.

After the meeting adjourned, investors piled into a bus and rode with Ms. Zhou to the Lens campus, less than a mile away. Ms. Zhou had sat quietly through much of the shareholders' meeting, but on the tour of the factory, she came alive. The shareholders hung on every word.